

**LODI CITY COUNCIL  
SPECIAL JOINT CITY COUNCIL MEETING  
WITH THE REDEVELOPMENT AGENCY  
CARNEGIE FORUM, 305 WEST PINE STREET  
WEDNESDAY, OCTOBER 5, 2005**

**A. CALL TO ORDER / ROLL CALL**

The Special Joint City Council meeting with the Redevelopment Agency of October 5, 2005, was called to order by Chairperson Beckman at 7:45 p.m.

Present: Members – Hansen, Johnson, Mounce, and Chairperson Beckman

Absent: Members – Hitchcock\*

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

\*NOTE: Vice Chair Hitchcock was absent due to her attendance at the League of California Cities annual conference in San Francisco.

**B. REGULAR CALENDAR**

- B-1 “JOINT MEETING of the Lodi City Council and Redevelopment Agency to discuss and provide direction to staff regarding potential ordinance to limit Lodi’s use of eminent domain to acquisition property that will be put to a municipal use”

City Manager King commented that this item was placed on the agenda at the request of Council to consider whether or not the Redevelopment Agency should adopt an ordinance divesting itself of the ability to use the power of eminent domain to acquire property. Mr. King reported that over 400 cities in California have redevelopment project areas. They are used as an economic development tool and allow a greater percentage of the property tax to be retained within the local jurisdiction. Mr. King stated that he worked for the cities of Eureka, Soledad, and Imperial Beach that had redevelopment agencies without eminent domain included in their redevelopment project areas. He reported that they were all successful in accomplishing the goals that their redevelopment project areas set forward. The city of Milpitas did not have eminent domain in its project areas 1, 2, and 3; however, it retained eminent domain in one area for commercially zoned property, but did not allow it for residentially zoned properties. He noted that it is not necessary to have a project area committee if eminent domain is eliminated.

Mayor Beckman stated that the Supreme Court case of Kelo vs. City of New London (Connecticut) changed the dynamics of the use of eminent domain by governmental entities. He supported Senator Tom McClintock’s proposed Constitutional Amendment No. 22, which states, *“This measure would add a condition that private property may be taken or damaged by eminent domain proceedings only for a stated public use and only upon an independent judicial determination on the evidence that the condemnor has proven that no reasonable alternative exists. The measure would require that the property be owned and occupied by the condemnor, except as specified, and used only for the stated public use. This measure would also provide that if the property ceases to be used for the stated public use, the former owner or a beneficiary or an heir, who has been designated for this purpose, would have the right to reacquire the property for the compensated amount or its fair market value, whichever is less, before the property may be sold or transferred.”* Mayor Beckman was in favor of a similar ordinance being drafted for the City.

Council Member Hansen noted that Lodi is losing property tax dollars to the State that could be used on capital projects to benefit the community if it had a redevelopment area. He was in favor of an ordinance that would remove the eminent domain element from redevelopment and felt it was important to codify it in such a way that it would be difficult to change in the future.

Mr. King explained that, if adopted, there would be an ordinance of the Redevelopment Agency and the project area would also have language that no eminent domain would be contained. He explained that, to amend a redevelopment project, all the steps would have to be done again, including the ordinance, which would allow another opportunity for a referendum as well as the need to form a project area committee.

Council Member Mounce stated that she has researched this issue and attended many conferences on the pros and cons of redevelopment. She believed that the only way to ensure that personal property rights are protected is to not have a redevelopment agency. She recalled that after a year and a half of work on Lodi's redevelopment project area, the public voiced strong objection, and she did not want to have the same result again after repeating the work and expense.

PUBLIC COMMENTS:

- Barbara Flockhart stated that the U.S. Supreme Court ruled June 23 that the government can condemn homes and businesses to make room for private development. She noted that the average homeowner lacks the money to fight the takeover of their property. Redevelopment takes a portion of the property taxes from the County, which leaves less for County services. In addition, redevelopment money has to be paid back with interest. She hoped that Senator McClintock's Constitutional amendment passes. Ms. Flockhart affirmed that she was opposed to eminent domain on rentals, homes, or businesses.
- Georgianna Reichelt recalled that she was asked by Lodi citizens to assist them with the referendum against the redevelopment ordinance. In less than 30 days, they collected over 4,000 signatures. Redevelopment limits the amount of money going into the general fund. She stated that 93% of Manteca is under redevelopment and now there is not enough money for public safety. She reported that San Diego and San Jose are on the verge of bankruptcy, due to borrowing redevelopment money and not getting the tax dollars that they originally anticipated.
- Eunice Friederich asked where the City would get property for redevelopment without eminent domain. Without borrowing, there is no money for redevelopment. If the City gets the tax increment, it takes away from County services. She was in favor of an ordinance that would eliminate eminent domain and hoped that the redevelopment project area would not be brought back.
- Ann Cerney asked how there would be the ability to take control of property within a redevelopment area without eminent domain.

Mayor Beckman and Council Members Hansen and Mounce expressed support for having the City Attorney draft an ordinance to limit Lodi's use of eminent domain similar to Senator McClintock's proposed Constitutional amendment and bring the matter back to Council for consideration.

Council Member Johnson was not in favor of the proposal because he felt there may be an opportunity where eminent domain could reasonably be used that the public would not be opposed to and he did not want an ordinance restricting the possibility.

MOTION / VOTE:

It was the consensus of the Redevelopment Agency that the City Attorney prepare a draft ordinance on this issue.

C. ADJOURNMENT

There being no further business to come before the Redevelopment Agency, the meeting was adjourned at 8:44 p.m.

ATTEST:

Susan J. Blackston  
City Clerk / Secretary  
Redevelopment Agency